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FISCAL IMPACT STATEMENT

LS 6086

BILL NUMBER: SB 21

NOTE PREPARED: Nov 8, 2012

BILL AMENDED:

SUBJECT: Public Transportation Corporation Tax Levies.

FIRST AUTHOR: Sen. Kruse

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill specifies that the maximum permissible property tax levy of a public transportation corporation increases when the municipality in which it is located annexes additional territory.

Effective Date: Upon passage.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under current law, the boundaries of a public transportation corporation (PTC) change whenever a municipality annexes territory so that the PTC's boundaries remain coterminous with those of the municipality.

Current law also provides an automatic increase in a civil taxing unit's maximum levy when the unit's geographic boundaries change. The increase is equal to the percentage increase in the assessed valuation base, up to 15%.

This bill would clarify that the maximum levy adjustment applies to a PTC after an annexation without the need to file an appeal under the maximum levy appeal statute.

There are currently eight PTCs in the state including:

- Fort Wayne Public Transportation
- Muncie Public Transportation
- Gary Public Transportation
- Indianapolis Public Transportation
- Speedway Public Transportation
- Bloomington Transportation
- South Bend Public Transportation
- Greater Lafayette Public Transportation

State Agencies Affected: Department of Local Government Finance (DLGF).

Local Agencies Affected: Public Transportation Corporations.

Information Sources: Local Government Database.

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